(c) if so, what steps Government propose to take to improve the situation;

(d) whether any concrete proposals in this regard have been worked out for 2002-2003 and 2003-2004; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) Yes, Sir.

(b) Yes, Sir.

(c) to (e) Indian Airlines including Alliance Air has been operating on several uneconomical sectors on the domestic network mainly due to Socio-economic obligations. The excess deployment of capacity on Category-II & Category-III routes as against the minimum DGCA requirements results in considerable losses to Indian Airlines. Being a public sector enterprise, Indian Airlines is not in a position to run entirely on commercial principles and has to fulfil the responsibility of regional connectivity and development.

Government reviews the performance of the company on regular basis and efforts are made to improve the economic viability of operations to the extent possible in consultation with other Ministries.

Purchase of aircrafts from Airbus Industry

879. SHRI SANJAY NIRUPAM:
SHRI RAJU PARMAR:
SHRI K. RAMA MOHANA RAO:
SHRI EKANATH K. THAKUR:
SHRI THANGA TAMIL SELVAN:

Will the Minister of CIVIL AVIATION be pleased to refer to the answer to Unstarred Question 4042 given in the Rajya Sabha on 29th April, 2003 and state:

(a) whether Indian Airline's proposal to purchase new aircrafts worth more than Rs. 10,000 crores from Airbus Industry has since been cleared by public Investment Board (PIB);

(b) if so, the details thereof; and

(c) the reasons for selecting Airbus Industry only for purchase of aircrafts when other companies like Boeing are offering State-of-the-art aircrafts?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) No, Sir.

(b) Does not arise.

(c) Selection of aircraft/engines are based on techno-economic evaluation of offers received from different aircraft and engine manufacturers.

Complaints against AI's new purchase deal

880. SHRI K. RAMA MOHANA RAO: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Airbus Industries has complained of fishy twist to AI deal in its new purchase bids;

(b) if so, the details of complaints received; and

(c) the action taken to ensure impartiality in AI deals?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) No such complaint has been received by the Government.

(b) Does not arise.

(c) All decisions are taken in accordance with established procedures.

Evaluation procedure in aircraft purchase

881. SHRI PRAFUL PATEL:
DR. VIJAY MALLYA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Indian Airlines propose to purchase new passenger aircraft;

(b) if so, which make/model of aircraft is proposed to be purchased;

(c) what has been the evaluation procedure prior to deciding on the make/model of the aircraft proposed to be purchased;

(d) what are the type of engines proposed to be purchased along with such aircraft; and